

McHenry County Sheriff's Office

April 9, 2013

Negotiating New ICE IGA Per Diem Rate

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Background/The Summerill Group LLC's Experience Negotiating eIGAs

- The complexity of calculating, submitting, and negotiating a new ICE IGA per diem rate and hospital / guard service rate has resulted in local governments seeking assistance from professionals and consultants -- such as The Summerill Group, PLLC.
- TSG has been assisting local governments negotiate new IGAs since 2007.
- TSG has negotiated 39 IGAs in 13 states.
 - Pulaski County (AR) Sheriff's Office --\$10 USMS per diem rate increase; Nueces County (TX) Sheriff's Office --\$14 USMS per diem rate increase; St. Clair County (IL) Sheriff's Office --\$11 USMS per diem rate increase; Calhoun County (MI) Sheriff's Office --\$12 USMS per diem rate increase.

Background on ICE IGA

- ICE receives no brick and mortar appropriated funds.
- ICE historically uses IGSAAs to contract with local governments near JPATS Airlift Operations.
- ICE operates Deport Center in Chicago, Illinois (FBOP, Illinois, Wisconsin, Indiana).
- ICE is currently seeking 1,500 bed in Chicago area in order to achieve economies of scale.
 - Consolidation of bedspace.
 - Cost savings.
- ICE currently reducing number of detainees in effort to maintain FY 2012 CR.

Background on McHenry County Relationship With ICE

- McHenry County Sheriff's Office has housed ICE prisoners since 2006. The County received a \$6.5 M DOJ CAP Grant in 2004, which expires in 2014.
- On April 7, 2008, Sheriff Nygren negotiated a new per diem rate of \$85.00 and transportation rate of \$34.00. The ICE population steadily increased annually through FY 2011.
- McHenry County has been the central detention facility for ICE prisoners processing through the Chicago FOD; Chicago Deport Center; and undergoing the EOIR process.
- ICE utilizes facilities in Wisconsin, Missouri, Kentucky, and Kansas. ICE also utilizes Jefferson County Jail.

Surrounding Per Diem Rates Housing of ICE prisoners

Comparison of Local Per Diem Rates		Per Diem / Trans. Rate
McHenry County, Illinois		\$ 85.00 / \$34.00
Kenosha County, Wisconsin		\$ 70.00 / \$33.82
Dodge County, Wisconsin		\$ 65.00 / \$26.00
Jefferson County, Illinois		\$ 63.30 / \$29.00

Cost Benefit Analysis

County Share of Cost based on per diem rate

Unreimbursed County Cost	
Negotiated Per Diem rate	Per diem
85.00	(46.38)
	(3,065,224)

Average Full Cost of a Prisoner Day at the Facility

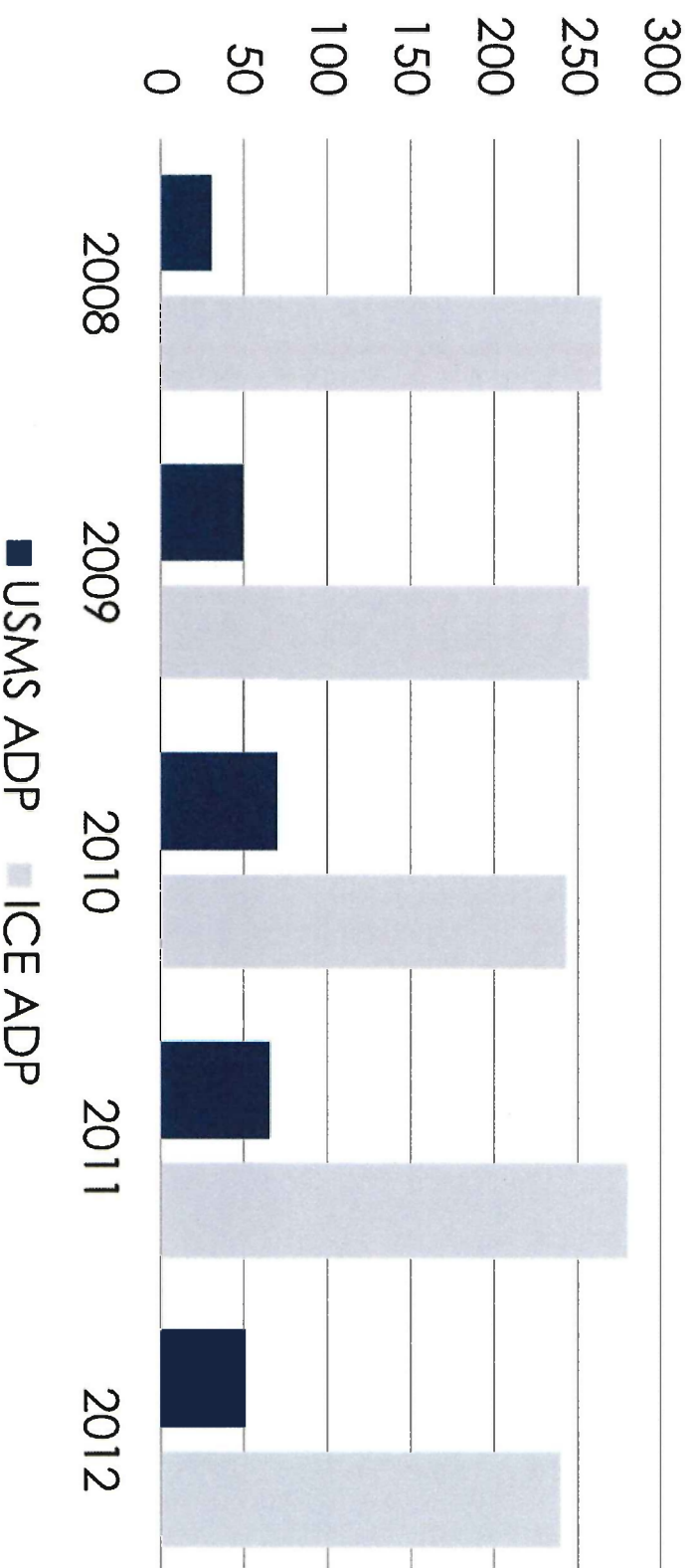
Total Cost	Avg # of Prisoners	# of days	Per diem
\$24,001,776	500.52	365	\$131.38

Average Daily Population – McHenry County Jail Federal Prisoners

YEAR	USMS (bed days)	USMS ADP	USMS	ICE (bed days)	ICE ADP	ICE	TOTAL REVENUE
2008	1,1520	31	\$979,200	9,6874	265	\$8,234,290	\$9,213,490
2009	1,8312	50	\$1,556,520	9,3774	257	\$7,970,790	\$9,526,310
2010	2,5416	70	\$2,160,360	8,9025	244	\$7,567,125	\$9,727,485
2011	2,4060	66	\$2,045,100	10,2457	281	\$8,708,845	\$10,753,945
2012	1,8439	50	\$1,567,315	8,7859	240	\$7,467,985	\$9,035,300
TOTAL	97747	54	\$8,308,495	46,9989	257	\$39,949,035	\$48,257,530

Average Daily Population – McHenry County Jail Federal Prisoners

Average Daily Population



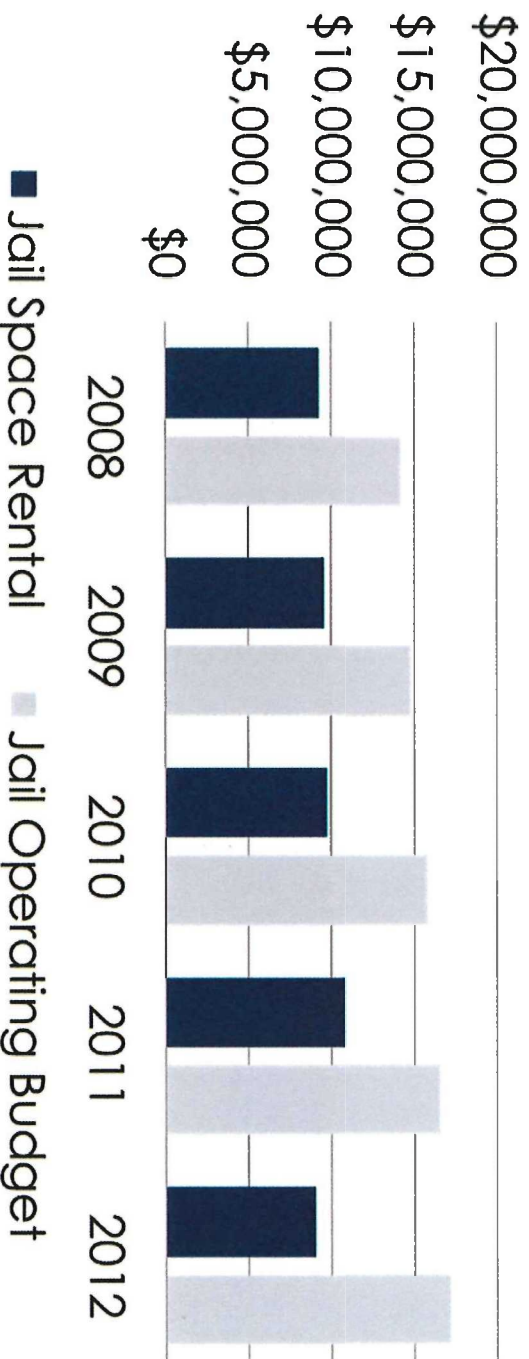
Jail Space Revenue vs. Jail Ops Budget

McHenry County Jail

Federal Prisoners

Year	USMS (bed days)	ICE (bed- days)	FED Total (bed Days)	Jail Space Rental	Jail Operating Budget	Jail Space Rental vs Jail Operating Budget
2008	11520	96874	108394	\$9,213,490	\$14,191,535	64.92%
2009	18312	93774	112086	\$9,527,310	\$14,829,093	64.25%
2010	25416	89025	114441	\$9,727,485	\$15,876,489	61.27%
2011	24060	102457	126517	\$10,753,945	\$16,606,093	64.76%
2012	18439	87859	106298	\$9,035,300	\$17,202,207	52.52%
Totals	97747	469989	567736	\$48,257,530	\$78,705,417	61.31%

Jail Space Revenue vs. Jail Ops Budget McHenry County Jail Federal Prisoners





Strategy For Negotiations With ICE

- Calculation of new Federal per diem rate;
- Increase Federal population at McHenry Jail; and
- Coordination / Negotiations.
 - ICE Chicago FOD
 - ICE DRM
 - ICE AM/DM.

Step 1 - Build a New Federal Per Diem Rate

- OMB Circular A-87: Cost Principles for State, Local and Indian Tribal Governments.
- What portion of the allowable costs are allocable to housing federal prisoners?
 - This requires the use of different allocation bases, depending on the particular type of cost.
 - This often also requires a multi-step allocation process for administrative costs centers which provide services for each other.

Sheriff's Office Administration

Professional Standards --- Communications & Technology
Property/ Evidence --- Records & Information Services

Custody Operations

Central Intake/Booking
Corrections Officer Training
Compliance
Inmate Management

Field Operations

Central Command
Law Enforcement Officer Training
Internal Investigation
SWAT

Detention Facility

Salaries & Benefits
Care & Treatment
Facility/Office
Vehicle Operations
Safety & Sanitation
Insurance
Equipment Depreciation

Road Patrol

Salaries & Benefits
Facility/Office
Vehicle Operations
Insurance
Equipment

Investigations

Salaries & Benefits
Facility/Office
Vehicle Operations
Insurance
Equipment

		County Centralized Services	
Sheriff's Office Administration			Other County Departments
Custody Operations	Field Operations		
Detention Facility		Road Patrol	
		Investigations	
		K-9 Program	

Step 2 – Increase ICE Population

■ Minimum Guarantee

- ICE historically includes a minimum guarantee only in private prison contracts.
- However, ICE provided a guarantee to Sussex County Sheriff, NJ.
 - 85 ICE detainees each month for a period of 12 months from date of award.

■ Two Tiered Per Diem Rate

- Determine price point at which economies of scale kick in.
- Jail space revenue vs. jail operations budget.
- Jefferson County Detention Facility (\$63.30 per diem / \$29.00 transport).

Step 3 – Negotiations With ICE

■ ICE HQ

- DRM – Tae Johnson, Assistant Director Custody Management

- AM/DM - Matt Marshman, Assistant Director

■ Chicago FOD

- Ricardo Wong, Director

- COTR

Projected Time Line

- Jail operating cost review - April/ May 2013;
- Amend McHenry County Sheriff's proposal to ICE no later than May 31, 2013;
- Conduct negotiations with ICE in June 2013; and
- Award of a new IGSA for McHenry County no later than July 31, 2013.

Why Hire Summerill Group, LLC?

- Broad experience based on successfully assisting Sheriff's Offices across the country, including the largest Sheriff's Offices in the country, to negotiate federal per diem rates.
- A proven track record of developing per diem rates under the OMB Circular A-87, the Detention Network Services, and compiling a detailed record to support the calculated rates.
- Both the experience and legal knowledge necessary to provide step by step support during the entire procurement process to respond to all inquiries and arguments from ICE to show that a Sheriff's proposed per diem rate is fair and reasonable.



Contact Information

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